
HOUSE BILL No. 2006

DIGEST OF INTRODUCED BILL

Citations Affected: IC 21-2-17-3; IC 21-3-10-8.

Synopsis: School finance. Establishes a legislative study committee to study issues related to: (1) the funding provided for special education students and preschool special education students; (2) the at-risk index; (3) the use of a training and experience index in the determination of the amount of state funding; (4) the weighting of grants provided for students with limited English proficiency; (5) the possibility of including funding for technology and equipment in the foundation amounts of state funding; and (6) issues related to taxpayer equity and student equity under Indiana's school finance system and alternative school finance systems. Increases the amounts of a school corporation's special education grant and special education preschool grant by the percentage by which the percentage of special education children who are pupils in the school corporation exceeds the statewide average percentage of special education children who are pupils in school corporations in Indiana.

Effective: July 1, 2001; January 1, 2002.

Scholer, Friend

January 17, 2001, read first time and referred to Committee on Rules and Legislative Procedures.

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Introduced

First Regular Session 112th General Assembly (2001)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2000 General Assembly.

HOUSE BILL No. 2006

A BILL FOR AN ACT to amend the Indiana Code concerning education finance.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 21-2-17-3 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 3. For each school
3 corporation imposing a property tax under this chapter for a year, the
4 auditor of state shall distribute to each school corporation an amount
5 equal to the result of the following formula:

6 STEP ONE: Determine the product of:

7 (A) **the result of** two thousand seven hundred fifty dollars
8 (\$2,750) multiplied by **the sum of:**

9 (i) **one (1); plus**

10 (ii) **the greater of zero (0) or the percentage by which the**
11 **percentage of special education preschool children who**
12 **are pupils in the school corporation exceeds the**
13 **statewide average percentage of special education**
14 **preschool children who are pupils in school corporations**
15 **in Indiana; multiplied by**

16 (B) the number of special education preschool children that
17 are pupils in the school corporation, as annually determined by



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the department of education.

STEP TWO: Determine the greater of zero (0) or the remainder of:

(A) the STEP ONE amount; minus

(B) the property tax levy required by this chapter.

This distribution is in addition to any distribution of federal funds that are made available to Indiana for special education preschool programs.

SECTION 2. IC 21-3-10-8, AS AMENDED BY P.L.273-1999, SECTION 148, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2002]: Sec. 8. The amount of the grant that a school corporation is entitled to receive for special education programs is equal to:

(1) the sum of:

~~(1) (A)~~ the nonduplicated count of pupils in programs for severe disabilities multiplied by ~~(A) seven thousand five hundred sixty-one dollars (\$7,561) in 2000; and (B) seven thousand eight hundred forty-nine dollars (\$7,849); in 2001;~~ plus

~~(2) (B)~~ the nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by ~~(A) two thousand fifty-two dollars (\$2,052) in 2000; and (B) two thousand one hundred thirty dollars (\$2,130); in 2001;~~ plus

~~(3) (C)~~ the duplicated count of pupils in programs for communication disorders multiplied by ~~(A) four hundred eighty-six dollars (\$486) in 2000; and (B) five hundred five dollars (\$505); in 2001;~~ plus

~~(4) (D)~~ the cumulative count of pupils in homebound programs multiplied by ~~(A) four hundred eighty-six dollars (\$486) in 2000; and (B) five hundred five dollars (\$505); in 2001;~~ multiplied by

(2) the sum of:

(A) one (1); plus

(B) the greater of zero (0) or the percentage by which the percentage of special education children who are pupils in the school corporation exceeds the statewide average percentage of special education children who are pupils in school corporations in Indiana.

SECTION 3. [EFFECTIVE JULY 1, 2001] (a) As used in this SECTION, "committee" refers to the school finance study committee established by subsection (b).

(b) The school finance study committee is established to evaluate

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1 Indiana's public school funding laws and policies.

2 (c) The committee consists of twelve (12) members as follows:

3 (1) Four (4) members of the house of representatives
4 appointed by the speaker of the house of representatives. Not
5 more than two (2) members appointed under this subdivision
6 may represent the same political party.

7 (2) Four (4) members of the senate appointed by the president
8 pro tempore of the senate. Not more than two (2) members
9 appointed under this subdivision may represent the same
10 political party.

11 (3) Two (2) individuals appointed by the speaker of the house
12 of representatives. An individual appointed under this
13 subdivision must have a background in or knowledge of
14 school finance issues.

15 (4) Two (2) individuals appointed by the president pro
16 tempore of the senate. An individual appointed under this
17 subdivision must have a background in or knowledge of
18 school finance issues.

19 (d) The committee shall do the following:

20 (1) Study the state funding amounts provided for special
21 education students and preschool special education students,
22 including a determination of:

23 (A) whether the funding amounts accurately reflect the
24 costs of educating special education students;

25 (B) whether the funding amounts should be based in whole
26 or in part on the percentage of a school corporation's
27 students who are special education students;

28 (C) how the federal, state, and local share of funding the
29 education of special education students has changed over
30 the past ten (10) years;

31 (D) whether the funding formula for special education and
32 preschool special education students should be adjusted to
33 consider the increased special education populations in
34 lower socioeconomic communities; and

35 (E) whether there should be a separate funding mechanism
36 for students whose disabilities are of such severity that the
37 local school corporation is unable to provide an
38 appropriate education without additional resources.

39 (2) Study whether the at-risk index used in determining of the
40 amount of state funding provided to school corporations
41 should be modified, including a determination of:

42 (A) ways in which the index could be adjusted to address

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the costs of poverty, including class size, counseling, security, and books and materials;

(B) whether the index should be based in whole or in part on the percentage of a school corporation's students who are eligible to receive free or reduced price lunches under the national school lunch program; and

(C) the appropriate uses of the index in determining of the amount of state funding.

(3) Study the issue of whether some form of a training and experience index should be included in the determination of the amount of state funding provided to school corporations.

(4) Determine whether the grants provided for students with limited English proficiency should be revised to provide for a weighting of the grant amounts based on the level of student proficiency.

(5) Determine whether it is appropriate to include an amount for technology and equipment in the foundation amounts of state funding provided to school corporations.

(6) Study issues related to taxpayer equity and student equity under Indiana's school finance system and alternative school finance systems.

(7) Study any other issues related to school finance that the committee considers appropriate for study.

(e) The committee shall operate under policies governing study committees adopted by the legislative council.

(f) The affirmative votes of a majority of the voting members appointed to the committee are required for the committee to take action on any measure, including the final reports.

(g) The committee shall issue:

(1) an interim report before November 1, 2001, and at other times as determined by the legislative council; and

(2) a final report before November 1, 2002.

Copies of each report shall be given to the governor and the legislative council.

(h) This SECTION expires December 31, 2002.

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